Management Board minutes

Tuesday 7 May 2019

Members and other attendees present

Paul Arnold	Deputy Chief Executive Officer
Ailsa Beaton	Non-executive Director
David Cooke	Non-executive Director
James Dipple-Johnstone	Deputy Commissioner (Executive Director - Operations)
Elizabeth Denham	Information Commissioner (Chair)
Jane McCall	Non-executive Director
Peter Hustinx	Non-executive Director
Simon McDougall	Executive Director – Technology Policy and Innovation
Nicola Wood	Non-executive Director
Christopher Braithwaite	Senior Corporate Governance Manager (secretariat)
Caroline Robinson	Corporate Governance Officer (secretariat)

1. Introductions and apologies

1.1. There were apologies from Steve Wood, who was unable to attend the meeting.

1.2. Elizabeth Denham welcomed Peter Hustinx to his first Management Board meeting.

2. Declaration of interests

2.1. In relation to funding ICO litigation costs, Nicola Wood advised that her husband was a partner at Mills and Reeve. The company provided commercial legal advice to the ICO, rather than advising on regulatory matters.

3. Matters arising from the previous meeting

3.1. The minutes were confirmed as accurate. The action relating to stakeholder management had now been superseded by the service excellence work.

4. Commissioner's introduction

4.1. The Commissioner highlighted issues of importance for the ICO not covered elsewhere in the agenda. In particular the Commissioner highlighted the following areas of work:-

- The Commissioner explained that approximately a third of her time was currently being spent on work outside the UK. The Board noted the current international commitments and pressures on the ICO. Although this was a significant undertaking for the Commissioner and her staff, the Board agreed that this level of commitment was necessary in the current environment. The ICO continued to build strong bilateral relationships both in the EU and outside, which had been strengthened recently through bilateral meetings and speaking engagements.
- The Freedom of Information outsourcing report was launched in January 2019, the first time in 10 years that the ICO had tabled a report in Parliament. Although the ICO had received support for the paper from MPs, Lords and Government, there was still a considerable amount of work to do to ensure that the recommendations in the report were implemented.
- The Commissioner would attend DCMS Select Committee hearings four times a year, which would allow the Commissioner and her staff to speak to the Committee about the full remit of ICO's work, from ICO performance to high priority investigation updates. The first of these sessions would take place at the end of July. In addition to these hearings, the ICO will continue to attend ad-hoc sessions to discuss topical issues.
- The Commissioner updated on recent meetings with parliamentarians to discuss online harms, the code of practice for use of data in political campaigning, and data and international trade.
- A meeting had been scheduled with Baroness Williams at the Home Office, which would allow the ICO to build stronger relations with the Home Office and its officials.
- The Commissioner stated that she was proud and delighted with the products which the ICO was producing. She highlighted that Sandbox had launched its Beta phase and the

Age Appropriate Design Code, which is the first of its kind globally, was now out for consultation.

5. Discussion items

Online Harms

5.1. Simon McDougall introduced the paper relating to the government's Online Harms White Paper and highlighted five areas for discussion.

5.2. The Board discussed the fact that the white paper, made no mention of the ICO's work on political campaigning. This would be addressed in the ICO's response to the paper. It was agreed that there is a need to look at harmful activities as well as harmful content.

Action: Simon McDougall to circulate the draft response to the online harms white paper to the Board for review and comment.

Litigation

5.3. Paul Arnold introduced the paper which set out proposals for funding of litigation costs. He thanked the Corporate Governance and Finance teams for the work carried out on this report.

5.4. The report had been considered and supported by the Audit Committee.

5.5. The Board supported Option 6.

5.6. A full business case will now be put forward to DCMS to propose the changes set out in Option 6.

Service Excellence

5.7. Paul Arnold introduced the paper which built on the service excellence workshops which had been attended by all staff in February. This programme would see the ICO develop the reliability, responsiveness and relationships to deliver excellent service across its now much large service and meet the public's expectations. Paul Arnold thanked Suzanne Gordon (Director of Data Protection Complaints and Compliance) and the Service Excellence programme board their work in this area.

5.8. The Board welcomed the approach, as customer satisfaction and productivity were subjects which had previously been discussed by

the Board. An update on progress will be provided to the Management Board meeting in November.

Action: Paul Arnold to provide an update on the Service Excellence programme to Management Board in November.

Governance Structures

5.9. Paul Arnold presented the report to the Board for information. The report outlined the corporate governance infrastructure of the ICO following its growth over the last year, and described the functions of the various forums. The report had previously been considered by the Audit Committee and updated slightly as a result. Paul Arnold thanked Louise Byers (Director of Risk and Governance) and her team for their work in this area.

5.10. The Board agreed that they should be provided with the terms of reference of the Regulatory Panel (for information) and that the chart of meetings should demonstrate the reporting lines to the Commissioner.

Action: Corporate Governance to circulate the terms of Reference for the Regulatory Panel.

Action: Corporate Governance to update the meeting chart to add the Commissioner and show the reporting lines to her from Management Board, Regulatory Panel and Remuneration Panel.

Update on Planning Day

5.11. Paul Arnold presented an update on the actions arising from the Board Planning Day in October 2019. The Board agreed that this was a very helpful update.

Action: Corporate Governance to identify a date in October for the next Management Board planning day.

6. Risk and opportunity management

6.1. Paul Arnold introduced the risk and opportunity register and highlighted a number of recent changes to the register:-

- The score of the risk relating to the EU exit has been reduced to take into account the work already carried out in preparation of the EU exit and the delay to the UK's EU withdrawal.
- The score of the risk relating to the delivery of the ICO's regulatory priorities had been reduced to reflect the steps

taken to improve the governance structures supporting regulatory priority work.

- A new risk had been added relating to compliance and culture, to ensure that this risk was reflected during the delivery of the ICO's service excellence culture.

6.2. Paul Arnold explained he was pleased with the progress which had been made in embedding risk management into the organisation and thanked the Risk and Governance Department for their work on this. To strengthen this work going forward, processes had been put in place for a full review of each of the corporate risks by the Executive Team on a bi-monthly basis.

6.3. There were no comments on the risk register.

7. Quarter 4 performance against the Information Rights Strategic Plan and the Resource and Infrastructure Strategic Plan

Performance against Information Rights Strategic Plan

7.1. The quarter four report on performance against the Information Rights Strategic Plan was presented for information and discussion.

7.2. The Board welcomed the update format of the report, which was more coordinated and of a more appropriate and useful length.

7.3. The Board agreed that RAG ratings of each IRSP goal should be included for future reports. The Board also requested that the report should clearly highlight any areas that the board should discuss or be aware of. Paul Arnold explained that for both the IRSP and RISP reports, these were typically drawn out as discussion items earlier on the agenda.

Action: Corporate Governance to ensure that future IRSP reports include RAG ratings of the IRSP goals and further clarity of any key issues which the Board should discuss or be aware of (not already highlighted elsewhere on the agenda).

Performance against Resource and Infrastructure Strategic Plan

7.4. The quarter four report on performance against the Resource and Infrastructure Strategic Plan was presented for information and discussion.

7.5. The board asked for assurance that the new pay progression arrangements would be sufficient to enable the ICO to attract and retain the calibre of staff needed, particularly in cyber and technology. Simon McDougall explained that he anticipated more successful recruitment results in cyber and technology through better targeting of advertising and more specific job descriptions. Paul Arnold explained that many of the vacancies throughout the ICO had resulted from existing staff moving to new roles within the ICO. He was confident that the pay flexibility continued to ensure that the ICO attracted and retained high quality staff, but was keeping this situation under close review.

7.6. Elizabeth Denham confirmed that the application period for the Director of Strategic Policy (International) had closed this week and the calibre of applicant was high. An assessment centre for recruitment to senior roles within the International Directorate would also be held in the coming week.

7.7. There was currently no significant data in relation to pay progression, as the first round of pay progression meetings were ongoing. However, Paul Arnold confirmed that there have been a number of good conversations among staff linking contribution, pay and development.

8. Finance

Management Accounts

8.1. The year-end financial report (subject to audit), which had previously been considered by the Audit Committee, was presented for information.

Budget 2019/20

8.2. The budget for 2019/20 was presented to the Board. The focus for 2019/20 would be consolidation of the recent expansion.

8.3. A challenging fee income forecast had been made for the budget, and sensitivity analysis of not achieving this was included in the budget. However, 8% more fee income had been received in April than was forecast.

8.4. The Board agreed that the budget plans for the next financial year should be brought to the Board's February meeting each year.

Action: Paul Arnold to bring the budget plans for the next financial year to the Board's February meeting each year.

9. Board Evaluation

9.1. The Board were provided with a NAO Board Evaluation Questionnaire.

9.2. Paul Arnold would discuss this individually with each NED and collectively with ET, to inform a detailed discussion on Board effectiveness during the pre-board slot in August.

9.3. The Board confirmed that the assessment of the Board compliance with the Government code of good practice for corporate governance was appropriate for inclusion in the 2018/19 annual report.

10. Any other business

10.1. Ailsa Beaton updated the Board on the recent Audit Committee meeting and confirmed that the ICO had received a "limited assurance" auditor's opinion in relation to procurement and contract management.

10.2. The Board was assured that action was being taken to mitigate the findings and a further report would be submitted to the Audit Committee in June 2019 to confirm that these actions had been completed.

10.3. Chris Braithwaite reported that the draft annual report would be circulated to NEDs for comment in May, ahead of the Audit Committee considering the report in June.

Action: Corporate Governance to circulate the draft Annual Report to NEDs for comment in May (paper copy to be sent to Nicola Wood and David Cooke).